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**Remarks**

Entry of the above-noted amendments, reconsideration of the application, and allowance of all claims pending are respectfully requested. Claims 1-3 and 5-14 are pending.

Applicant's arguments presented below focus on certain patentable differences between the invention as claimed and the applied references. However, it is not to be inferred that the failure to argue all differences between the claimed subject matter and the applied references constitutes acceptance of assertions made in the Office Action of alleged similarities between elements of the claimed subject matter and the applied references.

**Claim Rejections - 35 U.S.C. §103**

This rejection is respectfully traversed. Applicant's arguments presented below focus on certain patentable differences between the invention as claimed and the applied references. However, it is not to be inferred that the failure to argue all differences between the claimed subject matter and the applied references constitutes acceptance of assertions made in the Office Action of alleged similarities between elements of the claimed subject matter and the applied references.

MPEP §706.02(j) states: "To establish a prima facie case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art and not based on applicant's disclosure. *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991)." (Emphasis added.)

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Claim 1:

A method implemented by infrastructure nodes in a communication system is defined as providing a service to a postpaid account subscriber having a postpaid account and a separate prepaid account. The method includes monitoring subscriber activity relative to the postpaid account of the subscriber, subscriber activity defining an amount of service provided to the subscriber within a billing period associated with the postpaid account. For so long as a cumulative amount of the subscriber activity does not exceed a postpaid account threshold, subscriber activity is billed to the postpaid account, where the postpaid account threshold is a predetermined number of minutes of subscriber activity, where the predetermined number of minutes constitutes an amount of minutes that is less than a maximum amount of minutes that can be charged to the postpaid account during the billing period. If the cumulative subscriber activity exceeds the postpaid account threshold, defining surplus activity, at least a portion of the charges for the surplus activity is billed to the prepaid account.

Claim 1 was rejected under 35 U.S.C. 103 as being unpatentable over O'Neal (U.S. Patent No. 6, 226, 364) in view of Ritter (U.S. Patent No. 6, 543, 686). It is respectfully submitted that neither of these references considered individually or in combination render the subject matter of claim 1 obvious since requirements of claim 1 are not found in any of the applied references.

O'Neal is directed to providing prepaid telephone services. As explained in this reference and shown in its FIG. 6, a determination is first made of whether a prepaid balance has expired [balance has been exceeded] (step 608), and then a determination is made of whether the customer is eligible for credit based service (step 614). It should be noted that the prepaid balance must have expired (been exceeded) in order for the method of O'Neal to consider another billing alternative.

First, the invention in accordance with claim 1 is directed to first billing a postpaid account, not a prepaid account. Second, a predetermined threshold in the postpaid account is used to trigger billing being shifted to the prepaid account, where the predetermined threshold in the postpaid account is less than a maximum amount of minutes that could be charged to the postpaid

account. For example, the predetermined threshold may constitute anytime minutes in a postpaid cellular account. The teachings of O'Neal are contrary to this requirement in that it teaches that the prepaid account must be exceeded, i.e. the total available amount in this account is exhausted, in order for a billing option to be considered. Third, "surplus activity", as defined in claim 1, is not met by the total available prepaid account in O'Neal having been depleted. Surplus activity is defined as activity extending beyond the postpaid account threshold, which is less than the amount that could be billed to the postpaid account, i.e. a billing alternative is triggered at less than a maximum amount that could be charged to the subject account..

It is well-settled that teachings of a reference that teach away from a limitation of the claimed invention must be considered as well as teachings of the reference that could point towards the invention.

...an applicant may rebut a prima facie case of obviousness by showing that the prior art teaches away from the claimed invention in any material respect. *In re Geisler*, 116 F.3d at 1469, 43 USPQ2d at 1365 (quoting *In re Malagari*, 499 F.2d at 1303, 182 USPQ at 553). *In re Peterson*, 315 F.3d 1325, 65 USPQ2d 1379 (CA FC 2003)

It is believed to be clear that O'Neal teaches away from the invention of claim 1 in three material respects as explained above. Therefore the prima facie case of obviousness of claim 1 stated in the Office Action has been successfully rebutted. Withdrawal of the rejection of claim 1 is requested.

Ritter is directed to a subscriber identification card that is disposed in a subscriber handset. The billing method described in Ritter is carried out by the handset which includes at an integrated time measuring device and rating means by which the fee for services to be billed is determined (see column 1, line 63-column 2, line 12). It is clear that the billing method described in Ritter is carried out by the mobile handset in conjunction with the disclosed identification card. This is contrary to the infrastructure implementation in accordance with the method of claim 1. Further, the first, second and third patentable distinctions explained above are likewise not taught by Ritter. Hence even considering the combination of the teachings of Ritter and O'Neal, the

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combined teachings fail to teach all of the requirements of claim 1. Therefore, withdrawal of the 35 U.S.C. 103 rejection of claim 1 is requested.

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Claim 10:

Independent claim 10 is allowable for similar reasons explained above for claim 1.

Claims 2-3 and 5-9:

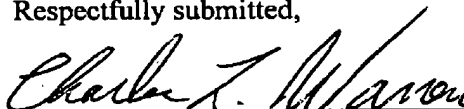
These dependent claims provide additional patentably distinguishing elements when considered in combination with the parent and/or referenced claim.

Claims 11-14:

These new claims are presented for consideration.

In view of the above amendments and remarks, allowance of all claims pending is respectfully requested. If a telephone conference would be of assistance in advancing the prosecution of this application, the Examiner is invited to call applicants' attorney.

Respectfully submitted,



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